

The assistant legislative clerk proceeded to call the roll.

Mr. GRAMS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMS. Madam President, I request that I be able to speak as in morning business—

Mr. DOLE. If the Senator will withhold, let me indicate that there will be no more votes this evening. We do hope we can get an agreement on House Joint Resolution 132.

#### UNANIMOUS CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 132

Mr. DOLE. Madam President, I ask unanimous consent that the majority leader, after consultation with the minority leader, may turn to the consideration of calendar No. 293, House Joint Resolution 132, regarding use of CBO assumptions and that it be considered under the following limitation:

One hour of time for debate, to be equally divided in the usual form, with one amendment in order relative to the original continuing resolution budget agreement language; that following the conclusion or yielding back of time, the Senate proceed to adopt the amendment and proceed to third reading and final passage of House Joint Resolution 132, all without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

#### LIVESTOCK CONCENTRATION REPORT ACT

Mr. DOLE. Madam President, I now ask unanimous consent that the Senate now proceed to the immediate consideration of calendar No. 261, S. 1340; further, that the Hatch amendment No. 3105, which is at the desk be considered agreed to, the committee amendment be agreed to, the bill be deemed read the third time, and passed, as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the amendment (No. 3105) was agreed to, as follows:

Sec. 4 Duties of Commission: delete lines 9 and 10 (page 9) and add: (2) to request the Attorney General to report on the application of the antitrust laws and operation of other Federal laws applicable, with respect to concentration and vertical integration in the procurement and pricing of slaughter cattle and of slaughter hogs by meat packers;

Sec. 4(b) Solicitation of Information.

line 7 page 10 insert: "industry employees".

So the committee amendment was agreed to.

So the bill (S. 1340), as amended, was deemed read the third time, and passed, as follows:

S. 1340

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Livestock Concentration Report Act".

#### SEC. 2. DEFINITIONS.

In this Act:

(1) ANTITRUST LAWS.—The term "antitrust laws" has the meaning provided in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), except that the term includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent the section applies to unfair methods of competition.

(2) COMMISSION.—The term "Commission" means the Commission on Concentration in the Livestock Industry established under section 3.

(3) STUDY OF CONCENTRATION IN THE RED MEAT PACKING INDUSTRY.—The term "study of concentration in the red meat packing industry" means the study of concentration in the red meat packing industry proposed by the Department of Agriculture in the Federal Register on January 9, 1992 (57 Fed. Reg. 875), and for which funds were appropriated by Public Law 102-142 (105 Stat. 878).

#### SEC. 3. ESTABLISHMENT OF COMMISSION.

(a) IN GENERAL.—A Commission on Concentration in the Livestock Industry shall be established that shall be composed of—

(1) the Secretary of Agriculture, who shall be the chairperson of the Commission; and

(2) 2 members who represent each of the following categories:

(A) Cattle producers.

(B) Hog producers.

(C) Lamb producers.

(D) Meat packers.

(E) Experts in antitrust laws.

(F) Economists.

(G) Corporate chief financial officers.

(H) Corporate procurement experts.

(b) APPOINTMENT.—The members of the Commission appointed under subsection (a)(2) shall be appointed as follows:

(1) The President shall appoint 4 members.

(2) The Majority Leader of the Senate shall appoint 4 members.

(3) The Minority Leader of the Senate shall appoint 2 members.

(4) The Speaker of the House of Representatives shall appoint 4 members.

(5) The Minority Leader of the House of Representatives shall appoint 2 members.

#### SEC. 4. DUTIES OF COMMISSION.

(a) IN GENERAL.—The Commission shall—

(1) determine whether the study of concentration in the red meat packing industry adequately—

(A) examined and identified procurement markets for slaughter cattle in the continental United States;

(B) analyzed the effects that slaughter cattle procurement practices, and concentration in the procurement of slaughter cattle, have on the purchasing and pricing of slaughter cattle by beef packers;

(C) examined the use of captive cattle supply arrangements by beef packers and the effects of the arrangements on slaughter cattle markets;

(D) examined the economics of vertical integration and of coordination arrangements in the hog slaughtering and processing industry;

(E) examined the pricing and procurement by hog slaughtering plants operating in the Eastern corn belt;

(F) reviewed the pertinent research literature on issues relating to the structure and operation of the meat packing industry; and

(G) represents, with respect to the matters described in subparagraphs (A) through (F), the current situation in the livestock industry compared to the situation of the industry reflected in the data on which the study is based;

(2) to request the Attorney General to report on the application of the antitrust laws and operation of other Federal laws applicable, with respect to concentration and vertical integration in the procurement and pricing of slaughter cattle and of slaughter hogs by meat packers;

(3) review laws and regulations relating to the operation of the meat packing industry regarding the concentration, vertical integration, and vertical coordination in the industry;

(4) review the farm-to-retail price spread for livestock during the period beginning on January 1, 1993, and ending on the date the report is submitted under section 5(a);

(5) review the adequacy of price data obtained by the Department of Agriculture under section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622);

(6) make recommendations regarding the adequacy of price discovery in the livestock industry for animals held for market; and

(7) review the lamb industry study completed by the Department of Justice during 1993.

(b) SOLICITATION OF INFORMATION.—For purposes of complying with paragraphs (2), (3), and (4) of subsection (a), the Commission shall solicit information from all parts of the livestock industry, including livestock producers, livestock marketers, industry employees, meat packers, meat processors, and retailers.

#### SEC. 5. REPORT AND TERMINATION.

(a) REPORT.—Not later than 90 days after the study of concentration in the red meat packing industry is submitted to Congress, the Commission shall submit to the President, the Speaker of the House of Representatives, and the President pro tempore of the Senate a report summarizing the results of the duties carried out under section 4.

(b) TERMINATION.—Not later than 30 days after submission of the report, the Commission shall terminate.

The title was amended so as to read: "A bill to establish a Commission on Concentration in the Livestock Industry, and for other purposes."

Mr. PRESSLER. Madam President, I am pleased that an agreement has been reached to enable S. 1340 to pass the Senate. I have worked closely with Majority Leader DOLE and Minority Leader DASCHLE on this issue that is vitally important to livestock producers in South Dakota and the Nation.

This issue has been a troubling one for producers in South Dakota for more than a year now. Frankly, I still say that the U.S. Department of Agriculture can take immediate action today and not have to wait for this legislation to become law.

Yesterday, I called Secretary Glickman to discuss this with him. He told me he was watching Senate action on this issue and would appoint a Commission.

Madam President, now is the time to act. Twice before I have urged the Secretary to take this action. I ask unanimous consent that two letters on this subject be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PRESSLER. This past August I chaired a field hearing of the Senate Commerce, Science and Transportation Committee in my home state of South Dakota. It was the first time that a Commerce Committee hearing had been held in South Dakota and the turnout was tremendous.

Hundreds of people attended the hearing and witness after witness clearly demonstrated the importance of this issue and the need for action is needed because extremely low prices for fed cattle and calves deeply hurt South Dakota ranchers. Further, the impact of this will be felt beyond our ranches. It affects our rural communities, as well as larger towns and cities. With ranchers having fewer dollars to spend, small businesses in our small towns could be put in jeopardy.

What is of great concern to producers is the fact that while cattle prices are nearing, or at record lows, retail prices have not shown any significant drop.

This represents a combination punch to South Dakota ranchers—as producers, they are getting fewer dollars for their livestock; yet, as consumers, ranchers—armed with fewer dollars—are forced to pay more to put their own product on the dinner table.

To say this is a concern of my fellow South Dakotans is a gross understatement. Thousands of South Dakotans have written, called, or visited with me on this. They rightly are concerned about the impact of the current situation on their ability to run their farms and businesses and provide for their families.

I would like to commend the South Dakota Secretary of Agriculture, Dean Anderson, for being a national leader on this issue. Dean was responsible for bringing this matter before the National Association of State Departments of Agriculture who have called for an investigation that we are asking for in this bill. I am proud of Secretary Anderson's leadership on this matter.

In summary, I am pleased the Senate is taking action in support of South Dakota ranchers. However, this action could get delayed in the other body. Therefore, I ask once again that Secretary Glickman immediately appoint a Commission on this subject. Either way, I will not rest until this Government finally addresses this disturbing problem facing our livestock producers.

#### EXHIBIT No. 1

U.S. SENATE,

Washington, DC, October 17, 1995.

Hon. DAN GLICKMAN,  
Secretary, Department of Agriculture, Washington, DC.

DEAR MR. SECRETARY: I am writing you to ask you to appoint a commission to make recommendations on action needed to assure competitive markets in the livestock industry.

As you well know Mr. Secretary, for some time now there has been great concern among livestock producers about packer concentration in the marketing of livestock. In 1992, Congress appropriated \$500,000 for the

U.S. Department of Agriculture to issue a report on this very subject. That report is due shortly. However, that report only contains data through 1993. Since 1993, retail price spreads and the prices that producers have received for their livestock do not even compare with the 1992 or 1993 numbers.

The Congress continues to be concerned on this subject. In August, the Senate Commerce, Science and Transportation Committee held a field hearing in Huron, South Dakota, on this matter. The high attendance and strong concern by South Dakota ranchers was overwhelming and universal. Previously, I requested that you appoint an independent counsel to recommend an action plan to remedy problems livestock producers are experiencing due to captive supplies by livestock packers. Legislation is expected to be introduced shortly to establish a Presidential Commission on this matter.

Mr. Secretary, you have the authority to establish a commission immediately and begin to find solutions to this problem. You do not need to wait for legislation. An independent review would ensure a completely unbiased report for an appropriate action plan.

I urge your prompt attention to this request and look forward to working with you to resolve this problem.

Sincerely,

LARRY PRESSLER,  
United States Senator.

U.S. SENATE,

Washington, DC, September 22, 1995.

Hon. DAN GLICKMAN,  
Secretary, Department of Agriculture, Washington, DC.

DEAR MR. SECRETARY: I ask that you appoint an independent counsel to recommend an action plan to remedy problems livestock producers are experiencing due to captive supplies by livestock packers. I also ask that the counsel's report be made simultaneously with USDA's report on captive supplies that is expected in December.

As you know, I recently held a U.S. Senate Commerce, Science and Transportation Committee field hearing on captive supplies, controlled markets and impacts on consumers and producers. There was a large turnout for this hearing. Collectively, the witnesses clearly articulated the need for federal action on this issue. With livestock prices near record lows, consumers are not seeing the price of meat go down at the grocery store as the market should dictate. Something must be done soon.

Several things were learned at the hearing. The hearing record will show widespread concern that something needs to be done to ensure fair and competitive pricing in the livestock industry. One troubling fact was discovered at the hearing. It was learned that the data in the captive supply report USDA is expected to release in December only covers the years 1992 and 1993. As you know, the current cattle prices are near record lows, while in 1992 cattle prices were near record highs.

I believe an independent counsel could review existing data, including the report you expect to release this December. As you know, federal officials have been studying this issue since 1992, while concentration in the packing industry has grown during this time. An independent counsel would be able to review studies and documents of USDA, Justice and the Federal Trade Commission and quickly review current market conditions. An independent review would ensure a completely unbiased report on an appropriate action plan. We do not need to wait for months after USDA issues its report to determine the best course of action. An independent counsel could take care of that and

help resolve this issue. Now is the time to act. We don't need any more reports.

Mr. Secretary, many cattlemen in South Dakota may not make it this year unless the pricing problem is corrected. The current retail price spread cannot be explained or justified with ranchers receiving such low prices for their cattle. I share the cattlemen's concerns over possible market manipulation.

I urge your prompt attention to this request, and look forward to working with you to resolve this problem.

Sincerely,

LARRY PRESSLER,  
U.S. Senator.

Mr. BURNS. Thank you, Madam President. I rise today in support of S. 1340, a bill to provide for a commission to study the concentration of packers in the United States. I am very pleased to be a cosponsor of this legislation. It is my hope that the Senate will pass this bill without prolonged debate, so that the livestock producers of this country will have a few answers to the questions they have about the packers.

This bill will provide the hard-working men and women who work on the land raising livestock to have an insight into what is occurring in the market today. The producers in this country have, recently, seen extremely low prices for their livestock. This is related to several different trends in the market. Among these trends is the low number of packing houses left in the country. This concentration of packing houses places a burden on the producer to sell his or her livestock to a select location close to their operation. In my State of Montana, this is a very real burden, since we no longer have a packing house in our State.

Another of the concerns that the producers have center around the number of live cattle that the packers own at this time. The terms of contracts let on these cattle are not widely known and those that are known are extremely confusing to all involved. These contracts have placed many of the smaller producers in the peril. The small operation in the country that may run less than a hundred head of cattle feel the pinch the packers have put on them through the major operations in the Midwest.

The most easily measured and common aspect of the concentration of packing houses, relates to the consumer cost of meat. Recently I was in a local grocery store, and noticed the cost of a pound of hamburger and was astounded. My astonishment came from the fact that I had just returned from Montana, where I had witnessed the price being paid for live cattle at the sale ring. The difference in the price per pound for live cattle compared to the price we must pay for the final product is way beyond the lines of reason. And \$20 cows do not draw the price of \$5-a-pound steak. Where is the responsibility to the producers of the livestock in this country?

Madam President, it is my hope that this measure will pass today and that the President will quickly sign and nominate the members of the study

commission. The time has come that we need to find out the discrepancies in the pricing system for our meat, today. Thank you and I yield the floor.

Mr. DOLE. I thank my colleague from Minnesota. There will be no more votes this evening.

Mr. GRAMS. Madam President, I request that I be allowed to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. GRAMS pertaining to the introduction of S. 1441 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### RONALD REAGAN BUILDING AND INTERNATIONAL TRADE CENTER

Mr. DOLE. Mr. President, this has been cleared on each side. I ask unanimous consent that the Committee on Environment and Public Works be immediately discharged from further consideration of H.R. 2481, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2481) to designate the Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the Ronald Reagan Building and International Trade Center.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. I ask unanimous consent that the bill be deemed read a third time, passed, and the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 2481) was deemed read the third time and passed.

Mrs. BOXER. I would like to have about 20 minutes in morning business.

Mr. DOLE. Could we do wrap-up first?

Mrs. BOXER. Absolutely.

Mr. SANTORUM. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. SANTORUM. Madam President, I ask unanimous consent that there be a period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MISSILE SALES TO TURKEY

Mr. PRESSLER. Madam President, on Monday, December 18, my good friend from New York, Senator D'AMATO and I, sent a letter to Secretary of State Warren Christopher, urging the Clinton Administration to reconsider its decision to sell 120 Army tactical missile systems [ATACMs] to the government of Turkey.

I was troubled to learn last night that the Clinton Administration intends to proceed with the sale. This transfer is ill-advised, to say the least. I strongly urge the Administration to reconsider its decision or at the very least, place clear, indisputable restrictions on deployment and use of these weapons.

This transfer does not make sense. Generally, it is disturbing because the Turkish government has used U.S. and NATO military equipment repeatedly in the past to advance policy and military objectives that are clearly not in our best interests.

As all of us are well aware, the Turkish government in 1974 used NATO military equipment when it invaded the island of Cyprus. More than two decades later, Cyprus remains divided, with one side subjected to an occupation force of 35,000 Turkish troops. I have held a great interest in resolving the Cyprus dispute. This is a matter of strong, bipartisan interest. The Clinton Administration has stated that it intends to make a serious effort to reunite Cyprus. Frankly, I cannot see how the proposed missile sale helps our nation achieve this goal. I believe the opposite is true, and that is very unfortunate.

I also am concerned about American made military equipment being used to prolong the conflict between Armenia and Azerbaijan. It has been documented that Turkey has transferred U.S. and NATO military hardware to the Azeris, who have made use of this equipment against civilian populations in the besieged Nagorno-Karabagh region. It is my understanding that it is contrary to U.S. policy for a buyer of U.S.-made military equipment to transfer such equipment to a third party. What assurances do we have from Turkey that it intends to abide by this policy?

Finally, I am concerned that this missile sale could serve to prolong continued violence between the Turkish Army and the Kurds. For more than a decade the Turkish government has waged a brutal war against the Kurdish people. Human rights watch [HRW] estimated that the conflict has resulted in the death of 19,000 Kurds, including 2,000 civilians, and the destruction of 2,000 villages. More than 2 million Kurds have been forced from their homes.

HRW also reported that in 29 incidents from 1992 and 1995, the Turkish

Army used U.S.-supplied fighter-bombers and helicopters to attack civilian villages and other targets. Further, U.S. and NATO-supplied small arms and armored personnel carriers have been used in a counter-insurgency campaign against thousands of Kurdish villages.

Clearly, these instances stretching over a period of more than two decades are contrary to our nation's interests as well as our own moral sensibility. In the face of this evidence, the President now wishes to supply the Turkish Army with 120 ATACMs. What exactly are ATACMs? Basically, the U.S. Army handbook describes the ATACM as a conventional surface-to-surface ballistic missile launched from a M270 launcher. Each missile has a warhead that carries a combined payload of 950 small cluster bomblets, which can spray shrapnel over a large area.

The practical use of an ATACM does not leave much to the imagination. This kind of missile can be used to disable numerous human and material targets at once and very quickly. Kurdish villages and organized teams of Kurdish dissidents easily could be targets for ballistic missile attack. This would be a terrible tragedy.

The Administration has argued that these missiles are a necessary deterrent against two potential aggressors along Turkey's borders—Iran and Iraq. I believe these missiles are far from necessary. Consider the following: Turkey is an ally of the United States. It is a member of NATO. The Turkish military's Incirlik air base is a launching point for our enforcement of the no-fly zone over Northern Iraq. And Turkey will participate in the enforcement of the Dayton peace accord in Bosnia. I would think that the strategic importance of Turkey to the United States and Europe is enough to deter any foolish military action by either Iran or Iraq. If our nation can mobilize the world to expel Iraq from the tiny nation of Kuwait, imagine our response if Iraq or Iran even made a hostile gesture toward Turkey. Clearly, the Administration's "deterrent" argument to justify the missile sale is hollow at best.

Indeed, I can find no credible political, economic or strategic cause that is furthered by the sale of the ATACMs to Turkey.

Madam President, just last month, Congress took a strong stand against Turkish aggression in the region by voting to cap US economic support funds for Turkey. This is an important step. My friend from New York, Senator D'AMATO, and I are sponsors of legislation that would take even tougher action. It is my hope that we in Congress can all agree that there must be an added price for US economic and military assistance to our allies, particularly our NATO allies, and that price is morally responsible use of U.S. assistance. I do not see how the Administration's missile sale fits even that basic standard.